



Final Regulation Agency Background Document

Agency name	State Board of Social Services
Virginia Administrative Code (VAC) citation	22 VAC40-690
Regulation title	Virginia Child Care Provider Scholarship Program
Action title	Amend Child Care Provider Scholarship Program regulation for efficiency and effectiveness
Date this document prepared	

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Orders 36 (2006) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Brief summary

Please provide a brief summary (no more than 2 short paragraphs) of the proposed new regulation, proposed amendments to the existing regulation, or the regulation proposed to be repealed. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation. Also, please include a brief description of changes to the regulation from publication of the proposed regulation to the final regulation.

The Virginia Child Care Provider Scholarship Program provides financial assistance to child care providers attending child care development and administration courses at Virginia's institutions of higher education.

The regulation has been amended to reflect efficient business practices and to further delineate the scholarship applicant selection process.

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.

This final regulation was adopted by the State Board of Social Services on April 16, 2008.

Legal basis

Please identify the state and/or federal legal authority to promulgate this proposed regulation, including (1) the most relevant law and/or regulation, including Code of Virginia citation and General Assembly chapter numbers, if applicable, and (2) promulgating entity, i.e., agency, board, or person. Describe the legal authority and the extent to which the authority is mandatory or discretionary.

This regulation establishes the rules used by the Virginia Department of Social Services to administer the Virginia Child Care Provider Scholarship Program. The Code of Virginia, § 63.2-217, provides the State Board of Social Services with the authority to promulgate this regulation. The regulation is not mandated by federal or state law or regulation.

Purpose

Please explain the need for the new or amended regulation. Describe the rationale or justification of the proposed regulatory action. Detail the specific reasons it is essential to protect the health, safety or welfare of citizens. Discuss the goals of the proposal and the problems the proposal is intended to solve.

The goals of the revision are to support professional development of child care providers, promote quality care in child care settings and employ more efficient business practices.

This revision addresses the issues of the limited available scholarships being awarded to individuals not working in child care settings, the acknowledgement of the use of a third party administrator and the requirement for agreements with higher education institutions for routine billing and reimbursement procedures.

The revision will promote the health, safety and welfare of children by giving priority to applicants who currently work in child care settings; research has shown that the level of the provider's education has a direct impact on the quality of care provided to children.

The revision allows for a more streamlined business process so applicants and institutions participating in the scholarship program have clear guidelines and information about program use and processes.

Substance

Please identify and explain the new substantive provisions, the substantive changes to existing sections, or both where appropriate. A more detailed discussion is required under the "All changes made in this regulatory action" section.

The substantive changes to existing sections include: 1) augmenting the language to recognize the Department's contractual relationship with a designated agency authorized to accept and process applications 2) revising the applicant eligibility and selection process, 3) clarifying the business process and procedures for working with colleges and universities 4) clarifying recipient responsibilities 5) revising application forms

Issues

Please identify the issues associated with the proposed regulatory action, including:
 1) *the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions;*
 2) *the primary advantages and disadvantages to the agency or the Commonwealth; and*
 3) *other pertinent matters of interest to the regulated community, government officials, and the public.*
If there are no disadvantages to the public or the Commonwealth, please indicate.

The businesses and individuals in the child care industry will benefit from the changes in proposed regulation as they will be informed of the current process. The changes outlined in the regulation will allow more people who currently work in child care to use the scholarship funds. The Commonwealth will benefit by having individuals who work in child care be academically prepared to care for children.

There are no disadvantages to the public, agency, or Commonwealth because of the changes made to the regulation.

Changes made since the proposed stage

Please describe all changes made to the text of the proposed regulation since the publication of the proposed stage. For the Registrar’s office, please put an asterisk next to any substantive changes.

No changes have made since the proposed stage.

Public comment

Please summarize all comments received during the public comment period following the publication of the proposed stage, and provide the agency response. If no comment was received, please so indicate.

Commenter	Comment	Agency response
Debbie Beirne	VA Scholarship Plan I am in support of the proposed changes to the Scholarship program. Because there are limited amounts of funding available, candidates should be selected/prioritized to those who are committed to entering the field of early childhood education and to candidates that are able and willing to produce satisfactory grades. The Scholarship program is one valuable piece in working towards quality...let's make it count! In order to achieve our goals of quality child care, we must have been better	Recognized the support of the proposed changes. No further action required.

	<p>trained teachers in our child day programs. I am also in support of providing as much automation to the registration process as possible. Valuable time and resources are wasted as we continue to struggle with a paper environment when the technology is available.</p>	
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No individual or group outside of VDSS was involved in preparing this regulation.

At the proposed stage the Virginia Community College Early Childhood Education Peer Group, the TEACH-VA Advisory Board and the Child Day Care Council were notified via oral presentation during their regularly scheduled meetings.

All changes made in this regulatory action

Please detail all changes that are being proposed and the consequences of the proposed changes. Detail new provisions and/or all changes to existing sections.

Current section number	Proposed new section number, if applicable	Current requirement	Proposed change and rationale
20		Applications are obtained from and must be submitted directly to the Virginia Department of Social Services	<p>Applications are available on the DSS website or from its designated agent and must be submitted to the designated agency.</p> <p>When the Department uses a contractor to administer the scholarship program. The contractor processes all applications. It is not efficient to have applications collected at the Department.</p>
30		Scholarships are awarded on a first-come, first-served basis.	<p>Priority will be extended to child care providers who are currently working in the child care field.</p> <p>Individuals who have demonstrated a commitment, by active employment, will have an opportunity to take classes and apply gained knowledge immediately to benefit children.</p>
		<p>Applicants may have no more than three occurrences of the following for courses for which the applicant received a scholarship:</p> <ul style="list-style-type: none"> a. Did not register for the course after 	<p>For any one time occurrence of the noted conditions the Department will not award future scholarships to an individual until the applicant reimburses the State for the course tuition and fees that were paid to the college or university on behalf of the applicant.</p>

		<p>receiving an award;</p> <p>b. Did not complete the course and received a grade of "W" for withdrawal;</p> <p>or</p> <p>c. Did not receive a passing grade.</p>	
40		Colleges and universities that have five or more students who participate in the scholarship program must have a written agreement with the Department.	The department or third party administrator will distribute written policies, procedures and expectations to all colleges and universities who participate in the program. This will alleviate the additional time required to draft and process individual agreements and it will ensure that all colleges and universities, regardless of the number of participating students, have the appropriate information to guide the efficient implementation of the program.
55		The institutions that have an agreement with the Department are instructed to submit information for reimbursement.	The terminology will be written to reflect the changes in section 40.
60		The current wording does not clearly articulate the total award available to eligible applicants.	The change will clarify the terms of the maximum life time award available to applicants.
Forms		Terminology and references to current sections.	Amend the forms to reflect updates.

Enter any other statement here

Regulatory flexibility analysis

Please describe the agency's analysis of alternative regulatory methods, consistent with health, safety, environmental, and economic welfare, that will accomplish the objectives of applicable law while minimizing the adverse impact on small business. Alternative regulatory methods include, at a minimum: 1) the establishment of less stringent compliance or reporting requirements; 2) the establishment of less stringent schedules or deadlines for compliance or reporting requirements; 3) the consolidation or simplification of compliance or reporting requirements; 4) the establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and 5) the exemption of small businesses from all or any part of the requirements contained in the proposed regulation.

There is no projected adverse impact on small business.

Family impact

Please assess the impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

- 1) The child care workforce participating in the scholarship program will be able to immediately implement college course information in the child care setting. Children and families are able to readily benefit from the increased knowledge of child care providers.

The training that participants receive will strengthen and enhance their ability to recognize and support parents as the child's first and primary teacher.

- 2) Providers who attend and complete college classes improve their level of self-sufficiency by increasing their potential for success and employment in the field of early childhood education.

Quality child care options provide parents and families with resources and services to be self-sufficient and earn income while raising a family.

- 3) Parents with reliable, quality child care are less likely to be absent from work. Thus, they are able to maintain income and reduce the potential stress on the family that may result from financial problems.

- 4) Individuals who increase their level of education also increase their income potential.

Also parents will decrease the risk of lost wages that may occur due to the unavailability of quality child care providers.